UNITED STATES DISTRICT COURT

FOR THE DISTRICT OF COLUMBIA

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SAUNDRA G. ELION, :

Plaintiff :

v. : Case No. 05-0992(PLF)

:

ALPHONSO R. JACKSON, :

Defendant :

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DEPOSITION OF JAMES HEIST

Washington, D.C.

Monday, July 31, 2006

Deposition of JAMES HEIST, called for examination at 9:45 a.m., at the law offices of Robert C. Seldon & Associates, P.C., 1319 F Street, N.W., Suite 305, Washington, D.C., before Gary S. Howard, a notary public in and for the District of Columbia, when were present on behalf of the respective parties:

recollection.

Q Okay. So now you prepared the memo, Heist Exhibit 7. It's dated April 20th.

Do you recall what day you prepared it?

A No.

Q Do you recall why -- was there anything that triggered you to prepare the memo, even if you can't remember the date?

A There was a couple of things that triggered it.

Q You've testified -- let's just be clear so that we won't be here all day.

I mean, did there come something that made you decide not so much the reasons to abolish the headquarters audit division, but that said, April 20th will be the day I send the memo forward?

A No.

Q Okay. Did the memo contain, does it contain the full reasons that you gave to Mr. Stephens for abolishing the headquarters audit division?

A Yes.

Q Did you ever talk to him and give him any others?

(Pause.)

A There's one other thing that I just want to make sure is in here.

(Pause.)

If you read the memo, you could piece it together. But the other thing that was a reality, that at the time I prepared this, the staffing level in the headquarters audit division was three staff auditors.

The managers were Sandy and Donna Hawkins. So you had two individuals in a supervisory position that had three staff positions under them.

Q Okay. And when and where did you establish ratios for headquarters audit divisions for supervisory to staff auditors?

A There's no established ratios.

Q Okay. Anything else that's not in this memo -- I'm sorry. Yes.

Is there anything else that is not in

this memo that you communicated to Mr. Stephens as your reasons for conducting the realignment which led to the abolition of the headquarters audit division?

A No, I can't recall anything.

Q And were there any other reasons that you had, whether or not you communicated them to Mr. Stephens?

A One of the -- as I said, there were three -- and I wouldn't -- to me, it's not a reason for abolishing the headquarters audit division, but it led to the fact that there were only three staff auditors.

Shortly before I drafted this memo, one of Saundra's staff had decided to resign.

Q Right. Okay. So are you saying, then, that her performance or conduct was related to your reasons for abolishing the headquarters audit division?

MR. TRUONG: Objection. Mischaracterizes the Witness' --

BY MR. SELDON:

Q Are you saying that?

A No.
Q Okay. So how did that relate, then?
A Only from the standpoint that it caused the supervisor-to-staff ratio to be impacted.
Q Okay. And were there any other reasons not expressed in your memorandum of April 20th, 2004, Heist Exhibit 7, that contributed to your decision to realign the office of audit and abolish the headquarters audit division?
A Not that I recall.
Q Okay. So take us forward again in the process.
The memo goes up to Mr. Stephens' office, I take it. Is that right or wrong, do you recall?
(Pause.)
Let's put it this way. You then signed the memo on or around April 20th, 2004, I take it. Front page.
A Right.
Q Right? And then, in the process, what do you recall happening next?
A Mr. Stephens approved it.